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National Association of Housing and Redevelopment Officials
2600 Virginia Avenue, Northwest, Suite 404, Washington, D.C. 20037 (202) 333-2020

FEDERALLY ASSISTED HOUSING MORATORIUM FACT SHEET

- o New budget authority for federally assisted housing programs administered by the U.S. Department of Housing and Urban Development has already been cut by more than \$16 billion a year since 1980.
- o More than 70 million Americans depend on rental housing for their shelter needs and in 1983 the median income of all renter households was \$12,400 a year. Fifty-eight percent of renter households had incomes of less than \$15,000 in 1983.
- o In 1981 more than 12.5 million renter households earned less than \$10,000.
- o Poverty and the consequent need for federally assisted housing programs have grown rapidly in recent years at the same time the budget for these programs has been cut by more than 60 percent. Between 1981 and 1983, for example, the poverty rate in central cities increased from 17.2 to 19.8 percent. California, New York, Texas, Florida, Illinois, Pennsylvania, Ohio and Michigan all have more than a million residents below the poverty level. Public housing agencies throughout the nation have lengthy waiting lists of eligible households seeking shelter in federally assisted rental housing.
- o Based on only two criteria, severe deficiencies and over-crowding, the current need for replacement, additional, and substantially rehabilitated housing is more than 5 million units.
- o Nationally, the overall number of deficient housing units, based on over-crowding and physical inadequacies, is greater today than in 1975.
- o Approximately 45 percent of all rental housing units are more than 35 years old and require significantly more maintenance or substantial rehabilitation if they are to continue to serve the needs of renter households.
- o Approximately 1.6 million units of rental housing built before 1964 and rented in 1970 were not in the rental market in 1981. Many of these units housed the lower income segment of the rental housing market.
- o Approximately 1 million units of rental housing were converted to condominiums between 1970 and 1984.
- o In 1984 the National Association of Housing and Redevelopment Officials' Task Force on the Future of the Public Role in Housing and Urban Development reported that at least 350,000 units of affordable rental housing for low- and moderate-income households must be constructed each year between now and the end of this century to meet growing demand.
- o More than 12 percent of all American households live in housing that is overcrowded or physically inadequate, according to the Annual Housing Survey.

(Circa 1985)

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- o Improving the quality of housing requires consistent and continuing effort.
- Between 1974 and 1980, almost 1.8 million units with inadequate plumbing had these problems corrected either by being rehabilitated or by dropping out of the housing stock, but 1.1 million units appeared with fresh plumbing inadequacies. Similar evidence is observed for virtually all categories of housing unit physical deficiencies.
- o HUD's federally assisted housing programs will provide only 40,000 units of new construction and substantially rehabilitated rental housing for low- and moderate-income households in 1985. Section 8 Existing Certificates and Housing Vouchers will be provided for an additional 76,000 units to help low- and moderate-income households with affordability problems in securing already existing units.
- o The New York City Housing Authority alone has a waiting list of more than 100,000 eligible households seeking shelter in federally assisted housing. The Miami, Fla., Department of Housing and Urban Development has a waiting list of more than 25,000.
- o In 1983 the nation spent 9 billion on rental housing programs for families with incomes of less than \$10,000 while homeowners received almost \$34 billion in the form of mortgage interest and property tax deductions, almost a third of which went to families earning \$50,000 per year or more.
- o Historically, federal income tax incentives have been a primary mechanism by which the federal government has sought to help provide decent, affordable rental housing. The Treasury Department's tax simplification proposal would eliminate most of these incentives with devastating consequences for rental housing construction including rent increases of up to 63 percent for newly constructed units.
- o In 1981 almost 50 percent of all renter households and more than three-fourths of low-income renter households lived in housing that was physically inadequate, overcrowded, or which required that they pay more than 30 percent of their income for shelter.

